

House File 2522 - Reprinted

HOUSE FILE 2522
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 734)

(As Amended and Passed by the House March 16, 2010)

A BILL FOR

1 An Act relating to and making appropriations to the department
2 of cultural affairs, the department of economic development,
3 certain board of regents institutions, the department of
4 workforce development, and the public employment relations
5 board, and related matters and including effective date
6 provisions.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. DEPARTMENT OF CULTURAL AFFAIRS. There is
2 appropriated from the general fund of the state to the
3 department of cultural affairs for the fiscal year beginning
4 July 1, 2010, and ending June 30, 2011, the following amounts,
5 or so much thereof as is necessary, to be used for the purposes
6 designated:

7 1. ADMINISTRATION

8 For salaries, support, maintenance, miscellaneous purposes,
9 and for not more than the following full-time equivalent
10 positions for the department:

11 \$ 212,069
12 FTEs 74.50

13 The department of cultural affairs shall coordinate
14 activities with the tourism office of the department of
15 economic development to promote attendance at the state
16 historical building and at this state's historic sites.

17 Full-time equivalent positions authorized under this
18 subsection shall be funded, in full or in part, using moneys
19 appropriated under this subsection and subsections 3 through 7.

20 2. COMMUNITY CULTURAL GRANTS

21 For planning and programming for the community cultural
22 grants program established under section 303.3:

23 \$ 273,500

24 3. HISTORICAL DIVISION

25 For the support of the historical division:

26 \$ 3,195,107

27 4. HISTORIC SITES

28 For the administration and support of historic sites:

29 \$ 493,060

30 5. ARTS DIVISION

31 For the support of the arts division:

32 \$ 1,023,712

33 6. GREAT PLACES

34 For the great places program:

35 \$ 214,869

1 7. ARCHIVE IOWA GOVERNORS' RECORDS

2 For archiving the records of Iowa governors:

3 \$ 70,142

4 8. RECORDS CENTER RENT

5 For payment of rent for the state records center:

6 \$ 227,243

7 Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

8 1. For the fiscal year beginning July 1, 2010, the goals for
9 the department of economic development shall be to expand and
10 stimulate the state economy, increase the wealth of Iowans, and
11 increase the population of the state.

12 2. To achieve the goals in subsection 1, the department
13 of economic development shall do all of the following for the
14 fiscal year beginning July 1, 2010:

15 a. Concentrate its efforts on programs and activities that
16 result in commercially viable products and services.

17 b. Adopt practices and services consistent with free
18 market, private sector philosophies.

19 c. Ensure economic growth and development throughout the
20 state.

21 Sec. 3. DEPARTMENT OF ECONOMIC DEVELOPMENT. There is
22 appropriated from the general fund of the state to the
23 department of economic development for the fiscal year
24 beginning July 1, 2010, and ending June 30, 2011, the following
25 amounts, or so much thereof as is necessary, to be used for the
26 purposes designated:

27 1. ADMINISTRATION DIVISION

28 a. For salaries, support, maintenance, miscellaneous
29 purposes, and programs; for transfer to the Iowa state
30 commission grant program; and for not more than the following
31 full-time equivalent positions for the department's three
32 divisions:

33 \$ 1,976,046

34 FTEs 149.00

35 b. The department shall work with businesses and

1 communities to continually improve the economic development
2 climate along with the economic well-being and quality of life
3 for Iowans. The administration division shall coordinate with
4 other state agencies to ensure that all state departments are
5 attentive to the needs of an entrepreneurial culture.

6 c. Full-time equivalent positions authorized under this
7 subsection shall be funded, in full or in part, using moneys
8 appropriated under this subsection and subsections 2 and 3
9 and by certain federal moneys or other moneys received by the
10 department.

11 d. Notwithstanding section 8.33, moneys appropriated in
12 this subsection that remain unencumbered or unobligated at the
13 close of the fiscal year shall not revert but shall remain
14 available for expenditure for the purposes designated until the
15 close of the succeeding fiscal year.

16 2. BUSINESS DEVELOPMENT DIVISION

17 a. For business development operations and programs, the
18 film office, international trade, export assistance, workforce
19 recruitment, and the partner state program; for transfer to the
20 strategic investment fund; for transfer to the grow Iowa values
21 fund; and for the support of the business development division:
22 \$ 5,346,536

23 b. The department shall establish a strong and aggressive
24 marketing image to showcase Iowa's workforce, existing
25 industry, and potential. A priority shall be placed on
26 recruiting new businesses, business expansion, and retaining
27 existing Iowa businesses. Emphasis shall also be placed on
28 entrepreneurial development through helping to secure capital
29 for entrepreneurs, and developing networks and a business
30 climate conducive to entrepreneurs and small business.

31 c. A business creating jobs with economic development
32 assistance through moneys appropriated in this subsection shall
33 be subject to contract provisions stating that new and retained
34 jobs shall be filled by individuals who are citizens of the
35 United States who reside within the United States or any person

1 authorized to work in the United States pursuant to federal
2 law, including legal resident aliens in the United States. Any
3 vendor who receives such public moneys shall adhere to such
4 contract provisions and provide periodic assurances as the
5 state shall require that the jobs are filled solely by citizens
6 of the United States who reside within the United States or
7 any person authorized to work in the United States pursuant
8 to federal law, including legal resident aliens in the United
9 States. A business that receives financial assistance from
10 the department from moneys appropriated in this bill shall
11 only employ individuals legally authorized to work in this
12 state. In addition to all other applicable penalties provided
13 by current law, all or a portion of the assistance received
14 by a business which is found to knowingly employ individuals
15 not legally authorized to work in this state is subject to
16 recapture by the department.

17 d. From the moneys appropriated in this subsection, the
18 department may provide financial assistance in the form of a
19 grant to a community economic development entity for conducting
20 a local workforce recruitment effort designed to recruit former
21 citizens of the state and former students at colleges and
22 universities in the state to meet the needs of local employers.

23 e. From the moneys appropriated in this subsection, the
24 department may provide financial assistance to early-stage
25 industry companies being established by women entrepreneurs.

26 f. From the moneys appropriated in this subsection, the
27 department may provide financial assistance in the form of
28 grants, loans, or forgivable loans for advanced research and
29 commercialization projects involving value-added agriculture,
30 advanced technology, or biotechnology.

31 g. Notwithstanding section 8.33, moneys appropriated in
32 this subsection that remain unencumbered or unobligated at the
33 close of the fiscal year shall not revert but shall remain
34 available for expenditure for the purposes designated until the
35 close of the succeeding fiscal year.

1 3. COMMUNITY DEVELOPMENT DIVISION

2 a. For support, maintenance, miscellaneous purposes,
3 community economic development programs, tourism operations,
4 community assistance, plans for Iowa green corps and summer
5 youth programs, the mainstreet and rural mainstreet programs,
6 the school-to-career program, the community development block
7 grant, and housing and shelter-related programs:
8 \$ 5,063,917

9 b. The department shall encourage development of
10 communities and quality of life to foster economic growth. The
11 department shall prepare communities for future growth and
12 development through development, expansion, and modernization
13 of infrastructure.

14 c. The department shall develop public-private partnerships
15 with Iowa businesses in the tourism industry, Iowa tour groups,
16 Iowa tourism organizations, and political subdivisions in this
17 state to assist in the development of advertising efforts.
18 The department shall, to the fullest extent possible, develop
19 cooperative efforts for advertising with contributions from
20 other sources.

21 d. Notwithstanding section 8.33, moneys appropriated in
22 this subsection that remain unencumbered or unobligated at the
23 close of the fiscal year shall not revert to any fund but shall
24 remain available for expenditure for the designated purposes
25 during the succeeding fiscal year.

26 4. For allocating moneys for the world food prize and
27 notwithstanding section 15.368, subsection 1:
28 \$ 650,000

29 5. For use as matching funds for the United States
30 department of housing and urban development's main street
31 challenge grants for historic building preservation:
32 \$ 165,775

33 Notwithstanding section 8.33, moneys appropriated in this
34 subsection that remain unencumbered or unobligated at the close
35 of the fiscal year shall not revert but shall remain available

1 for expenditure for the purposes designated until the close of
2 the succeeding fiscal year.

3 6. For allocation to the Iowa commission on volunteer
4 service for the Iowa's promise and mentoring partnership
5 program and for not more than the following full-time
6 equivalent positions:

7	\$	112,500
8	FTEs	1.00

9 Notwithstanding section 8.33, moneys appropriated in this
10 subsection that remain unencumbered or unobligated at the close
11 of the fiscal year shall not revert but shall remain available
12 for expenditure for the purposes designated until the close of
13 the succeeding fiscal year.

14 Sec. 4. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
15 purposes of administrative duties associated with the vision
16 Iowa program, the department of economic development is
17 authorized an additional 2.25 FTEs above those otherwise
18 authorized in this Act.

19 Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
20 collected by the division of insurance in excess of the
21 anticipated gross revenues under section 505.7, subsection 3,
22 during the fiscal year beginning July 1, 2010, \$100,000 shall
23 be transferred to the department of economic development for
24 insurance economic development and international insurance
25 economic development.

26 Sec. 6. COMMUNITY DEVELOPMENT LOAN FUND. Notwithstanding
27 section 15E.120, subsection 5, there is appropriated from the
28 Iowa community development loan fund all the moneys available
29 during the fiscal year beginning July 1, 2010, and ending June
30 30, 2011, to the department of economic development for the
31 community development program to be used by the department for
32 the purposes of the program.

33 Sec. 7. WORKFORCE DEVELOPMENT FUND. There is appropriated
34 from the workforce development fund account created in section
35 15.342A to the workforce development fund created in section

1 15.343 for the fiscal year beginning July 1, 2010, and ending
2 June 30, 2011, the following amount, for the purposes of the
3 workforce development fund, and for not more than the following
4 full-time equivalent positions:

5 \$ 4,000,000
6 FTEs 4.00

7 Sec. 8. WORKFORCE DEVELOPMENT ADMINISTRATION. From moneys
8 appropriated or transferred to or receipts credited to the
9 workforce development fund created in section 15.343, up to
10 \$400,000 for the fiscal year beginning July 1, 2010, and ending
11 June 30, 2011, are appropriated to the department of economic
12 development for the administration of workforce development
13 activities including salaries, support, maintenance, and
14 miscellaneous purposes, and for not more than the following
15 full-time equivalent positions:

16 FTEs 4.00

17 Sec. 9. JOB TRAINING FUND. Notwithstanding section 15.251,
18 all moneys in the job training fund on July 1, 2010, and any
19 moneys appropriated or credited to the fund during the fiscal
20 year beginning July 1, 2010, shall be transferred to the
21 workforce development fund established pursuant to section
22 15.343.

23 Sec. 10. IOWA STATE UNIVERSITY.

24 1. There is appropriated from the general fund of the state
25 to Iowa state university of science and technology for the
26 fiscal year beginning July 1, 2010, and ending June 30, 2011,
27 the following amount, or so much thereof as is necessary, to
28 be used for small business development centers, the science
29 and technology research park, and the institute for physical
30 research and technology, and for not more than the following
31 full-time equivalent positions:

32 \$ 2,575,983
33 FTEs 56.63

34 2. Of the moneys appropriated in subsection 1, Iowa state
35 university of science and technology shall allocate at least

1 \$994,929 for purposes of funding small business development
2 centers. If moneys allocated pursuant to this subsection
3 exceed the amount allocated for small business centers in 2009
4 Iowa Acts, chapter 176, section 11, subsection 2, at least
5 \$100,000 of the moneys allocated pursuant to this subsection
6 shall be used to increase the assistance to small businesses
7 for providing one-on-one business planning and marketing
8 counseling. Iowa state university of science and technology
9 may allocate moneys appropriated in subsection 1 to the various
10 small business development centers in any manner necessary to
11 achieve the purposes of this subsection.

12 3. Iowa state university of science and technology shall do
13 all of the following:

14 a. Direct expenditures for research toward projects that
15 will provide economic stimulus for Iowa.

16 b. Provide emphasis to providing services to Iowa-based
17 companies.

18 4. It is the intent of the general assembly that the
19 industrial incentive program focus on Iowa industrial
20 sectors and seek contributions and in-kind donations from
21 businesses, industrial foundations, and trade associations,
22 and that moneys for the institute for physical research and
23 technology industrial incentive program shall be allocated
24 only for projects which are matched by private sector moneys
25 for directed contract research or for nondirected research.
26 The match required of small businesses as defined in section
27 15.102, subsection 6, for directed contract research or for
28 nondirected research shall be \$1 for each \$3 of state funds.
29 The match required for other businesses for directed contract
30 research or for nondirected research shall be \$1 for each \$1 of
31 state funds. The match required of industrial foundations or
32 trade associations shall be \$1 for each \$1 of state funds.

33 Iowa state university of science and technology shall
34 report annually to the joint appropriations subcommittee on
35 economic development and the legislative services agency the

1 total amount of private contributions, the proportion of
2 contributions from small businesses and other businesses, and
3 the proportion for directed contract research and nondirected
4 research of benefit to Iowa businesses and industrial sectors.

5 5. Notwithstanding section 8.33, moneys appropriated in
6 this section that remain unencumbered or unobligated at the
7 close of the fiscal year shall not revert but shall remain
8 available for expenditure for the purposes designated until the
9 close of the succeeding fiscal year.

10 Sec. 11. UNIVERSITY OF IOWA.

11 1. There is appropriated from the general fund of the state
12 to the state university of Iowa for the fiscal year beginning
13 July 1, 2010, and ending June 30, 2011, the following amount,
14 or so much thereof as is necessary, to be used for the state
15 university of Iowa research park and for the advanced drug
16 development program at the Oakdale research park, including
17 salaries, support, maintenance, equipment, miscellaneous
18 purposes, and for not more than the following full-time
19 equivalent positions:

20	\$	222,372
21	FTEs	6.00

22 2. The state university of Iowa shall do all of the
23 following:

- 24 a. Direct expenditures for research toward projects that
- 25 will provide economic stimulus for Iowa.
- 26 b. Provide emphasis to providing services to Iowa-based
- 27 companies.

28 3. Notwithstanding section 8.33, moneys appropriated in
29 this section that remain unencumbered or unobligated at the
30 close of the fiscal year shall not revert but shall remain
31 available for expenditure for the purposes designated until the
32 close of the succeeding fiscal year.

33 Sec. 12. UNIVERSITY OF NORTHERN IOWA.

34 1. There is appropriated from the general fund of the
35 state to the university of northern Iowa for the fiscal year

1 beginning July 1, 2010, and ending June 30, 2011, the following
2 amount, or so much thereof as is necessary, to be used for the
3 metal casting institute, the MyEntreNet internet application,
4 and the institute of decision making, including salaries,
5 support, maintenance, miscellaneous purposes, and for not more
6 than the following full-time equivalent positions:

7	\$	610,674
8	FTEs	6.75

9 Of the moneys appropriated pursuant to this subsection,
10 the university of northern Iowa shall allocate not more than
11 \$125,000 for purposes of expanded support of entrepreneurs
12 through the university's regional business center.

13 2. The university of northern Iowa shall do all of the
14 following:

15 a. Direct expenditures for research toward projects that
16 will provide economic stimulus for Iowa.

17 b. Provide emphasis to providing services to Iowa-based
18 companies.

19 3. Notwithstanding section 8.33, moneys appropriated in
20 this section that remain unencumbered or unobligated at the
21 close of the fiscal year shall not revert but shall remain
22 available for expenditure for the purposes designated until the
23 close of the succeeding fiscal year.

24 Sec. 13. BOARD OF REGENTS REPORT. The state board of
25 regents shall submit a report on the progress of regents
26 institutions in meeting the strategic plan for technology
27 transfer and economic development to the secretary of the
28 senate, the chief clerk of the house of representatives, and
29 the legislative services agency by January 15, 2011.

30 Sec. 14. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
31 is appropriated from the general fund of the state to the
32 department of workforce development for the fiscal year
33 beginning July 1, 2010, and ending June 30, 2011, the following
34 amounts, or so much thereof as is necessary, for the purposes
35 designated:

1 1. DIVISION OF LABOR SERVICES

2 For the division of labor services, including salaries,
3 support, maintenance, miscellaneous purposes, and for not more
4 than the following full-time equivalent positions:

5 \$ 3,495,440
6 FTEs 64.00

7 From the contractor registration fees, the division of labor
8 services shall reimburse the department of inspections and
9 appeals for all costs associated with hearings under chapter
10 91C, relating to contractor registration.

11 2. DIVISION OF WORKERS' COMPENSATION

12 For the division of workers' compensation, including
13 salaries, support, maintenance, miscellaneous purposes, and for
14 not more than the following full-time equivalent positions:

15 \$ 2,595,768
16 FTEs 30.00

17 The division of workers' compensation shall charge a \$100
18 filing fee for workers' compensation cases. The filing fee
19 shall be paid by the petitioner of a claim. However, the fee
20 can be taxed as a cost and paid by the losing party, except
21 in cases where it would impose an undue hardship or be unjust
22 under the circumstances. The moneys generated by the filing
23 fee allowed under this subsection are appropriated to the
24 department of workforce development to be used for purposes of
25 administering the division of workers' compensation.

26 3. WORKFORCE DEVELOPMENT OPERATIONS

27 For the operation of field offices, the workforce
28 development board, and new Iowans centers, and for not more
29 than the following full-time equivalent positions:

30 \$ 11,343,047
31 FTEs 88.28

32 Of the moneys appropriated in this subsection, the
33 department shall allocate \$11,110,137 for the operation of
34 field offices. The department shall not reduce the number of
35 field offices below the number of field offices being operated

1 as of January 1, 2009.

2 The department of workforce development shall make every
3 effort to maintain new Iowans centers that offer one-stop
4 services to deal with the multiple issues related to
5 immigration and employment. The centers shall be designed to
6 support workers, businesses, and communities with information,
7 referrals, job placement assistance, translation, language
8 training, and resettlement, as well as technical and legal
9 assistance on such issues as forms and documentation. Through
10 the coordination of local, state, and federal service
11 providers, and through the development of partnerships with
12 public, private, and nonprofit entities with established
13 records of international service, these centers shall seek to
14 provide a seamless service delivery system for new Iowans.

15 4. OFFENDER REENTRY PROGRAM

16 For the development and administration of an offender
17 reentry program to provide offenders with employment skills,
18 and for not more than the following full-time equivalent
19 positions:

20	\$	322,261
21	FTEs	3.00

22 The department shall partner with the department of
23 corrections to provide staff within the correctional facilities
24 to improve offenders' abilities to find and retain productive
25 employment.

26 5. SECURITY EMPLOYEE TRAINING PROGRAM

27 For purposes of administration of a security employee
28 training program:

29	\$	13,033
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30 6. Notwithstanding section 8.33, moneys appropriated
31 in subsections 1 through 4 of this section that remain
32 unencumbered or unobligated at the close of the fiscal year
33 shall not revert but shall remain available for expenditure
34 for the purposes designated until the close of the succeeding
35 fiscal year.

1 Sec. 15. ACCOUNTABILITY — AUDIT. The auditor of state
2 shall annually conduct an audit of the department of workforce
3 development and shall report the findings of such annual
4 audit, including the accountability of programs of the
5 department, to the chairpersons and ranking members of the
6 joint appropriations subcommittee on economic development. The
7 department shall pay for the costs associated with the audit.

8 Sec. 16. EMPLOYMENT SECURITY CONTINGENCY FUND — DIVISION
9 OF WORKERS' COMPENSATION. There is appropriated from the
10 special employment security contingency fund to the department
11 of workforce development for the fiscal year beginning July 1,
12 2010, and ending June 30, 2011, the following amount, or so
13 much thereof as is necessary, for the purposes designated:

14 For the division of workers' compensation, salaries,
15 support, maintenance, and miscellaneous purposes:
16 \$ 471,000

17 Any remaining additional penalty and interest revenue is
18 appropriated to and may be allocated and used to accomplish the
19 mission of the department.

20 Sec. 17. WORKFORCE DEVELOPMENT — FIELD OFFICES. There is
21 appropriated from the special employment security contingency
22 fund to the department of workforce development for the fiscal
23 year beginning July 1, 2010, and ending June 30, 2011, the
24 following amount, or so much thereof as is necessary, to be
25 used for the purposes designated:

26 For field offices:
27 \$ 662,427

28 Sec. 18. UNEMPLOYMENT COMPENSATION RESERVE FUND.
29 Notwithstanding section 96.9, subsection 8, paragraph "e",
30 there is appropriated from interest earned on the unemployment
31 compensation reserve fund to the department of workforce
32 development for the fiscal year beginning July 1, 2010, and
33 ending June 30, 2011, the following amount or so much thereof
34 as is necessary, for the purposes designated:

35 For the operation of field offices:

1 \$ 6,500,000

2 Sec. 19. EMPLOYEE MISCLASSIFICATION PROGRAM — GENERAL

3 FUND. There is appropriated from the general fund of the state
4 to the department of workforce development for the fiscal year
5 beginning July 1, 2010, and ending June 30, 2011, the following
6 amount, or so much thereof as is necessary, to be used for the
7 purposes designated:

8 For enhancing efforts to investigate employers that
9 misclassify workers:

10 \$ 450,000

11 FTEs 8.10

12 Sec. 20. PUBLIC EMPLOYMENT RELATIONS BOARD. There is

13 appropriated from the general fund of the state to the public
14 employment relations board for the fiscal year beginning July
15 1, 2010, and ending June 30, 2011, the following amount, or so
16 much thereof as is necessary, for the purposes designated:

17 For salaries, support, maintenance, miscellaneous purposes,
18 and for not more than the following full-time equivalent
19 positions:

20 \$ 1,101,903

21 FTEs 10.00

22 Of the moneys appropriated in this section, the board
23 shall allocate \$15,000 for maintaining a website that allows
24 searchable access to a database of collective bargaining
25 information.

26 Sec. 21. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
27 is requested to review the audit of the Iowa finance authority
28 performed by the auditor hired by the authority.

29 Sec. 22. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
30 section 96.9, subsection 4, paragraph "a", moneys credited to
31 the state by the secretary of the treasury of the United
32 States pursuant to section 903 of the Social Security
33 Act are appropriated to the department of workforce
34 development and shall be used by the department for the
35 administration of the unemployment compensation program only.

1 This appropriation shall not apply to any fiscal year
2 beginning after December 31, 2009.

3 Sec. 23. Section 303.17, subsection 4, paragraphs b and c,
4 Code 2009, are amended to read as follows:

5 b. Submit, for school years ending on or before June 30,
6 ~~2009~~ 2012, an annual status report on the utilization of the
7 Iowa studies professional development plan in Iowa's school
8 districts and accredited nonpublic schools to the chairpersons
9 and ranking members of the senate and house committees on
10 education by January 15. The annual report shall include the
11 number of schools utilizing the plan.

12 c. Submit its findings and recommendations in a final
13 report based upon the evaluation data compiled in accordance
14 with subsection 3 to the chairpersons and ranking members of
15 the senate and house committees on education by January 15,
16 ~~2010~~ 2013.

17 Sec. 24. Section 303.17, subsection 5, Code 2009, is amended
18 to read as follows:

19 5. This section is repealed effective July 1, ~~2010~~ 2013.

20 Sec. 25. 2009 Iowa Acts, chapter 176, section 3, subsection
21 5, is amended to read as follows:

22 5. For use as matching funds for the United States
23 department of housing and urban development's main street
24 challenge grants for historic building preservation:

25 \$ 184,195

26 Notwithstanding section 8.33, moneys appropriated in this
27 subsection that remain unencumbered or unobligated at the close
28 of the fiscal year shall not revert but shall remain available
29 for expenditure for the purposes designated until the close of
30 the succeeding fiscal year.

31 Sec. 26. EFFECTIVE UPON ENACTMENT. The section of this Act
32 amending 2009 Iowa Acts, chapter 176, and the sections amending
33 section 303.17, being deemed of immediate importance, take
34 effect upon enactment.